

BEFORE THE IDAHO BOARD OF TAX APPEALS

WILLIAM BECKES,)	
)	
Appellant,)	APPEAL NO. 14-A-1089
)	
v.)	FINAL DECISION
)	AND ORDER
ADA COUNTY,)	
)	
Respondent.)	
)	
)	
)	

RESIDENTIAL PROPERTY APPEAL

This appeal is taken from a decision of the Ada County Board of Equalization denying the protest of valuation for taxing purposes of property described by Parcel No. R0885710060. The appeal concerns the 2014 tax year.

This matter came on for hearing October 7, 2014 in Boise, Idaho before Hearing Officer Travis VanLith. Appellant William Beckes was self-represented. Chief Deputy Assessor Tim Tallman represented Respondent.

Board Members David Kinghorn, Linda Pike and Leland Heinrich participated in this decision.

The issue on appeal concerns the market value of an improved residential property.

The decision of the Ada County Board of Equalization is affirmed.

FINDINGS OF FACT

The assessed land value is \$93,800, and the improvements' valuation is \$341,100, totaling \$434,900. Appellant contends the correct total value is \$389,459.

The subject property is a .40 acre lot improved with a 2,419 square foot residence built in 2012, and located in Eagle, Idaho. The residence includes four (4) bedrooms, two and one-half (2.5) bathrooms, and a 1,742 square foot attached garage

Appellant noted subject's assessed value increased by approximately 22% for 2014. Appellant looked to assessed values of other nearby residences similar in size and quality to subject and noted subject was assessed higher per square foot. The noted assessed values per square foot ranged between \$140 and \$177, with the average of \$161. Subject's 2014 assessed value equates to \$180 per square foot.

Appellant provided a Comparative Market Analysis from a local realtor which contained a listing value conclusion of \$395,000. A summary report was submitted wherein sixteen (16) sales were provided. The addresses, sold status, sale prices, approximate square footage, days on market, listing prices, and sales price per square foot were provided for each property, however, sale dates were not included. An average price per square foot of \$148 was reported.

Lastly, Appellant provided a letter dated September 16, 2014 from KeyBank which explained an appraisal was done on subject for the purposes of extending a line of credit. An appraised value of \$395,000 was reported in the letter, however, the appraisal itself was not provided.

In support of subject's assessed value, Respondent referenced six (6) 2013 improved residential sales located in close proximity to the subject property. The sale properties were described as being generally similar to subject. An appraisal worksheet compared differences between the subject and the six (6) sales. After adjustments for time of sale, square footage, bathrooms, garage size, lot size, and location, the indicated value for subject ranged from \$423,049 to \$475,915, or between \$175 and \$197 per square foot.

The net adjustments to each sale fell between .2% and 10.4%.

Respondent explained when a residence is smaller the average price per square foot is generally higher than for a larger residence. Further, Respondent explained subject was inspected when being built and was determined to be of higher quality than the neighboring properties. The large RV garage bay was also noted to add value.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2014 in this case. Market value is defined in Idaho Code § 63-201, as,

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Market value is estimated according to recognized appraisal methods and techniques. There are three (3) approaches to value, the sales comparison approach, the cost approach, and the income approach. Residential property like the subject is commonly valued using direct sales comparisons.

Appellant's value evidence centered on the assessed values of other properties in subject's development. While the Board understands Appellant's concern with equal assessments, comparisons of assessed values is not a recognized appraisal approach. Further, looking to subject's price per square foot for comparison, we note economies of scale normally suggests price per square foot decreases as size increases. This would potentially account for some of the differences in price per square foot when making comparisons.

Appellant provided a value conclusion from a Comparative Market Analysis (CMA) prepared by a realtor, however, vital information was lacking. The time of sale and comparability details were not provided. Reference was also made to an appraisal done for loan purposes, however missing were details on how the value conclusion was derived. Further, the CMA and appraisal letter were dated in 2014. In determining value on January 1, 2014, the valuation date in this appeal, the Board's review is generally restricted to market value evidence existing prior to January 1. Idaho Code § 63-205.

Respondent, on the other hand, presented a sales comparison approach. Six (6) improved residential sales were provided and the physical characteristics of each were detailed. Value adjustments were made for physical differences between the sale properties and subject. Adjusted sale prices were between \$175 and \$197 per square foot. Given this evidence, subject's assessed value rate of \$180 per square foot is supported.

In appeals to this Board, the burden is with the Appellant to establish subject's

valuation is erroneous by a preponderance of the evidence. Idaho Code § 63-511. Appellant presented a relatively large amount of value evidence, however it often lacked important supporting details. In this case, the Board does not find Appellant met the burden of proof. Respondent's value evidence was supportive of subject's current assessed value. Therefore, the decision of the Ada County Board of Equalization is affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Ada County Board of Equalization concerning the subject parcel be, and the same hereby is, AFFIRMED.

DATED this 4th day of February, 2015.